

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2783 - SB 2702**

February 16, 2022

**SUMMARY OF BILL:** Authorizes retired members of the Tennessee Consolidated Retirement System (TCRS) to return to work as a kindergarten through twelfth (K-12) grade teacher. Returning teachers are entitled to only seventy percent of the retirement allowance they would have received in absence of returning to work, and are not entitled to additional retirement benefits as the result of reemployment. Reemployment as a K-12 teacher cannot exceed one year, unless hired to additional one-year periods. Employers of returning teachers are required to contribute the greater of either the amount they would have been mandated to pay had the retired member been a member of the retirement system during the time they are reemployed, or the amount equal to five percent of the member's pay rate. Effective from July 1, 2022 to July 1, 2027.

**FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- The proposed legislation is not anticipated to significantly impact administrative costs for TCRS.
- No change in the overall lump sum pension liability.
- Total employer contributions by local governments to retirement funds will not significantly change compared to what would have otherwise been paid for an alternative employee filling the position.
- Any impact to local government is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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